



THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
YEARS ENDED 1999 AND 1998

**From The Office Of State Auditor
Claire McCaskill**

Report No. 2000-56
July 17, 2000
www.auditor.state.mo.us

AUDIT REPORT



Office Of The
State Auditor Of Missouri
Claire McCaskill

July 2000

www.auditor.state.mo.us

The following audit report presents our findings and recommendations for certain municipal divisions of the Thirty-First Judicial Circuit. During our audit, we identified accounting records, controls, and certain management practices which we believe could be improved. The municipal divisions in which specific findings and recommendations were noted are listed below:

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YELLOW SHEET

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS

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THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS

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FINANCIAL SECTION

State Auditor's Reports



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON
THE FINANCIAL STATEMENTS**

Presiding Judge
and
Municipal Judges
Thirty-First Judicial Circuit

We have audited the accompanying special-purpose financial statements of the various municipal divisions (other than the city of Battlefield Municipal Division as of and for the years ended June 30, 1999 and 1998) of the Thirty-First Judicial Circuit as of and for the years ended December 31, 1999 and 1998; September 30, 1999 and 1998; and June 30, 1999 and 1998, as identified by municipality and fiscal period in the table of contents. These special-purpose financial statements are the responsibility of the municipal divisions' management. Our responsibility is to express an opinion on these special-purpose financial statements based on our audit.

Except as discussed in paragraphs four through six, we conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the special-purpose financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the special-purpose financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

The accompanying special-purpose financial statements were prepared for the purpose of presenting the receipts, disbursements, and changes in cash of the municipal divisions of the Thirty-First Judicial Circuit and are not intended to be a complete presentation of the financial position and results of operations of the municipal divisions.

Internal controls and accounting records of the city of Republic Municipal Division were inadequate. Records accounting for the numerical sequence and ultimate disposition of each traffic ticket issued by the police department were not maintained. As a result, we were unable to satisfy ourselves by appropriate audit tests or other means as to receipts and disbursements beyond amounts recorded in the municipal division's records for the years ended December 31, 1999 and 1998.

Internal controls and accounting records of the city of Willard Municipal Division were inadequate. Receipt slips were not issued for some monies received. In addition, records accounting for the numerical sequence and ultimate disposition of each traffic ticket issued by the police department were not maintained.

As a result, we were unable to satisfy ourselves by appropriate audit tests or other means as to receipts and disbursements beyond amounts recorded in the municipal division's records for the years ended December 31, 1999 and 1998.

Internal controls and records accounting for bond refunds of the city of Springfield Municipal Division were inadequate. In addition, records accounting for the numerical sequence and ultimate disposition of each traffic ticket issued by the police department were not maintained. As a result, we were unable to satisfy ourselves by appropriate audit tests or other means as to receipts and disbursements beyond amounts recorded in the municipal division's records for the years ended June 30, 1999 and 1998.

In our opinion, except for the effects, if any, on the financial statements of the matters discussed in the preceding three paragraphs, the special-purpose financial statements referred to in the first paragraph present fairly, in all material respects, the receipts, disbursements, and changes in cash of the municipal divisions (other than the city of Battlefield Municipal Division as of and for the years ended June 30, 1999 and 1998) of the Thirty-First Judicial Circuit as of and for the years ended December 31, 1999 and 1998; September 30, 1999 and 1998; and June 30, 1999 and 1998, in conformity with the comprehensive basis of accounting discussed in Note 1, which is a basis of accounting other than generally accepted accounting principles.

We also had planned to audit the special-purpose financial statement of the city of Battlefield Municipal Division as of and for the years ended June 30, 1999 and 1998. This special-purpose financial statement is the responsibility of the municipal division's management.

As a result of internal control weaknesses, inadequate records, and evidence of fraud, we were unable to satisfy ourselves by appropriate audit tests or other means as to receipts and disbursements of fines, court costs, and bonds for the years ended June 30, 1999 and 1998.

Because of the effects of the matters discussed in the preceding paragraph, the scope of our work was not sufficient to enable us to express, and we do not express, an opinion on the special-purpose financial statement of the city of Battlefield Municipal Division as of and for the years ended June 30, 1999 and 1998.

In accordance with *Government Auditing Standards*, we also have issued our report dated February 22, 2000, on our consideration of the municipal divisions' internal controls over financial reporting and on our tests of their compliance with certain provisions of laws, regulations, contracts, and grants.

The accompanying History, Organization, and Statistical Information is presented for informational purposes. This information was obtained from the municipal divisions' management and was not subjected to the auditing procedures applied in the audit of the special-purpose financial statements referred to above.

A handwritten signature in black ink, appearing to read "Claire McCaskill". The signature is fluid and cursive, with the first name "Claire" written in a large, looping script, and the last name "McCaskill" written in a more compact, cursive style.

Claire McCaskill
State Auditor

February 22, 2000 (fieldwork completion date)

The following auditors participated in the preparation of this report:

Director of Audits:	Kenneth W. Kuster, CPA
Audit Manager:	Donna Christian, CPA
In-Charge Auditor:	Sharon Hill
Audit Staff:	Rachel Little
	Jay Ross
	Ted Fugitt, CPA



CLAIRE C. McCASKILL
Missouri State Auditor

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE
AND ON INTERNAL CONTROL OVER FINANCIAL REPORTING**

Presiding Judge
and
Municipal Judges
Thirty-First Judicial Circuit

We have audited the special-purpose financial statements of the various municipal divisions (other than the city of Battlefield Municipal Division as of and for the years ended June 30, 1999 and 1998) of the Thirty-First Judicial Circuit as of and for the years ended December 31, 1999 and 1998; September 30, 1999 and 1998; and June 30, 1999 and 1998, and have issued our report thereon dated February 22, 2000. That report expressed a qualified opinion on the special-purpose financial statements of the municipal divisions of the city of Republic and the city of Willard as of and for the years ended December 31, 1999 and 1998, and the city of Springfield Municipal Division as of and for the years ended June 30, 1999 and 1998. Except as discussed in the report on the financial statements of the municipal divisions referred to in the preceding sentence, we conducted our audit in accordance with generally accepted auditing standards and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

We also had planned to audit the special-purpose financial statement of the city of Battlefield Municipal Division as of and for the years ended June 30, 1999 and 1998, and have issued our report thereon dated February 22, 2000. In that report we did not express an opinion on the special-purpose financial statement.

Compliance

As part of obtaining reasonable assurance about whether the special-purpose financial statements of the various municipal divisions of the Thirty-First Judicial Circuit are free of material misstatement, we performed tests of the municipal divisions' compliance with certain provisions of laws, regulations, contracts, and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no material instances of noncompliance that are required to be reported under *Government Auditing Standards*. However, we noted certain other instances of noncompliance which are presented in the accompanying Management Advisory Report.

Internal Control Over Financial Reporting

In planning and performing our audit of the special-purpose financial statements of the various municipal divisions of the Thirty-First Judicial Circuit, we considered the municipal divisions' internal controls over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the special-purpose financial statements and not to provide assurance on the internal controls over financial reporting. However, we noted certain matters involving the internal controls over financial reporting and their operation that we consider to be reportable conditions. Reportable conditions involve matters coming to our attention relating to significant deficiencies in the design or operation of the internal controls over financial reporting that, in our judgement, could adversely affect the municipal divisions' ability to record, process, summarize, and report financial data consistent with the assertions of management in the special-purpose financial statements.

A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material to the special-purpose financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. Our consideration of the internal controls over financial reporting would not necessarily disclose all matters in the internal controls that might be reportable conditions and, accordingly, would not necessarily disclose all reportable conditions that are also considered to be material weaknesses. However, we noted certain matters involving the internal controls over financial reporting and their operation that we consider to be material weaknesses, and these matters are presented in the accompanying Management Advisory Report.

This report is intended for the information of the management of the various municipal divisions of the Thirty-First Judicial Circuit and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.



Claire McCaskill
State Auditor

February 22, 2000 (fieldwork completion date)

Financial Statements

Exhibit A

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH

	City of Republic	
	Year Ended December 31,	
	1999	1998
RECEIPTS		
Fines, costs, bonds, and other	\$ 105,304	113,460
Total Receipts	<u>105,304</u>	<u>113,460</u>
DISBURSEMENTS		
City treasury	100,857	109,102
State of Missouri (Note 3)	0	0
Refunds and other	5,801	6,223
Total Disbursements	<u>106,658</u>	<u>115,325</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	-1,354	-1,865
CASH , JANUARY 1	7,229	9,094
CASH , DECEMBER 31	<u>\$ 5,875</u>	<u>7,229</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit A

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH

	City of Walnut Grove Year Ended December 31,	
	1999	1998
RECEIPTS		
Fines, costs, bonds, and other	\$ 2,223	2,952
Total Receipts	<u>2,223</u>	<u>2,952</u>
DISBURSEMENTS		
City treasury	2,343	2,832
State of Missouri (Note 3)	<u>0</u>	<u>0</u>
Total Disbursements	<u>2,343</u>	<u>2,832</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	-120	120
CASH, JANUARY 1	<u>120</u>	<u>0</u>
CASH, DECEMBER 31	<u><u>\$ 0</u></u>	<u><u>120</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit A

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH

	City of Willard	
	Year Ended December 31,	
	1999	1998
RECEIPTS		
Fines, costs, bonds, and other	\$ 20,640	15,469
Total Receipts	<u>20,640</u>	<u>15,469</u>
DISBURSEMENTS		
City treasury	2,284	13,660
State of Missouri	16,519	1,762
Refunds and other	420	0
Total Disbursements	<u>19,223</u>	<u>15,422</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	1,417	47
CASH, JANUARY 1	<u>352</u>	<u>305</u>
CASH, DECEMBER 31	<u>\$ 1,769</u>	<u>352</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit B

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH

	City of Strafford	
	Year Ended September 30,	
	1999	1998
RECEIPTS		
Fines, costs, bonds, and other	\$ 104,510	51,650
Total Receipts	104,510	51,650
DISBURSEMENTS		
City treasury	104,230	51,650
State of Missouri (Note 3)	0	0
Total Disbursements	104,230	51,650
RECEIPTS OVER (UNDER) DISBURSEMENTS	280	0
CASH, OCTOBER 1	0	0
CASH, SEPTEMBER 30	\$ 280	0

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit C

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH

	City of Ash Grove Year Ended June 30,	
	1999	1998
RECEIPTS		
Fines, costs, bonds, and other	\$ 23,109	37,023
Total Receipts	<u>23,109</u>	<u>37,023</u>
DISBURSEMENTS		
City treasury	23,109	37,373
State of Missouri (Note 3)	<u>0</u>	<u>0</u>
Total Disbursements	<u>23,109</u>	<u>37,373</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	-350
CASH , JULY 1	<u>0</u>	<u>350</u>
CASH , JUNE 30	<u><u>\$ 0</u></u>	<u><u>0</u></u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit C

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH

(UNAUDITED)

	City of Battlefield	
	Year Ended June 30,	
	1999	1998
RECEIPTS		
Fines, costs, bonds, and other	\$ 26,394	26,053
Total Receipts	<u>26,394</u>	<u>26,053</u>
DISBURSEMENTS		
City treasury	12,344	18,954
State of Missouri	1,518	2,304
Refunds and other	3,543	1,371
Unaccountable (Note 4)	<u>3,353</u>	<u>4,521</u>
Total Disbursements	<u>20,758</u>	<u>27,150</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	5,636	-1,097
CASH , JULY 1	<u>-834</u>	<u>263</u>
CASH , JUNE 30	<u>\$ 4,802</u>	<u>-834</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit C

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH

	City of Fair Grove Year Ended June 30,	
	1999	1998
RECEIPTS		
Fines, costs, bonds, and other	\$ 10,186	7,821
Total Receipts	10,186	7,821
DISBURSEMENTS		
City treasury	10,186	7,821
State of Missouri (Note 3)	0	0
Total Disbursements	10,186	7,821
RECEIPTS OVER (UNDER) DISBURSEMENTS	0	0
CASH , JULY 1	0	0
CASH , JUNE 30	\$ 0	0

The accompanying Notes to the Financial Statements are an integral part of this statement.

Exhibit C

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
COMPARATIVE STATEMENT OF RECEIPTS, DISBURSEMENTS, AND
CHANGES IN CASH

	City of Springfield Year Ended June 30,	
	1999	1998
RECEIPTS		
Fines, costs, bonds, and other	\$ 3,390,324	3,061,843
Total Receipts	<u>3,390,324</u>	<u>3,061,843</u>
DISBURSEMENTS		
City treasury	3,095,426	2,760,282
State of Missouri (Note 3)	0	0
Refunds and other (Note 5)	<u>292,577</u>	<u>272,821</u>
Total Disbursements	<u>3,388,003</u>	<u>3,033,103</u>
RECEIPTS OVER (UNDER) DISBURSEMENTS	2,321	28,740
CASH, JULY 1	<u>77,714</u>	<u>48,974</u>
CASH, JUNE 30	<u>\$ 80,035</u>	<u>77,714</u>

The accompanying Notes to the Financial Statements are an integral part of this statement.

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
NOTES TO THE FINANCIAL STATEMENTS

1. Summary of Significant Accounting Policies

A. Reporting Entity and Basis of Presentation

The accompanying special-purpose financial statements present only selected data for the funds administered by the various municipal divisions of the Thirty-First Judicial Circuit of the state of Missouri.

Receipts, disbursements, and changes in cash are presented for each municipal division. The operating costs of each division are paid by the respective municipality, the county, or the state of Missouri, as applicable, and are not included in the financial statements.

The municipal division is responsible for cash bonds posted until case disposition allows appropriate disbursement. Bond monies relating to pending cases, whether in the custody of the city or the municipal division, are included in these financial statements.

B. Basis of Accounting

The Statements of Receipts, Disbursements, and Changes in Cash are prepared on the cash basis of accounting; accordingly, amounts are recognized when they are received or disbursed. This basis of accounting differs from generally accepted accounting principles, which require revenues to be recognized when they become available and measurable or when they are earned and expenditures or expenses to be recognized when the related liabilities are incurred.

C. Fiscal Authority and Responsibility

The municipal divisions account for fines and court costs resulting from prosecution of violations of municipal ordinances before the municipal judge or received through the traffic violations bureau, as well as cash bonds posted. Municipal violations could include traffic offenses, both moving and nonmoving; parking meter and overtime parking offenses; and other violations for which amounts are received by the municipal divisions and remitted to the city treasury. The municipal divisions also may account for restitutions received and disbursed through the divisions.

2. Cash

Section 479.080, RSMo 1994, requires municipal divisions to deposit fines and court costs into the city treasury at least monthly. Some divisions maintain bank accounts into which fines and court costs are deposited and later remitted to the city treasury. Other divisions do not maintain bank accounts, transmitting fines and court costs directly to the city treasury. Escrow bank accounts for bond monies received may be maintained by the city or the municipal division.

At the financial statement dates identified in the table of contents for the years ended 1999 and 1998, all bank account balances reported for the municipal divisions of the Thirty-First Judicial Circuit were entirely covered by federal depositary insurance.

3. Disbursements to State

The municipal divisions collect various amounts that must be remitted to the state of Missouri. These amounts include 80 percent of the court costs for cases heard by an Associate Circuit Judge, the judgement for the Motorcycle Safety Trust Fund, and the surcharges for the Crime Victims' Compensation and Services to Victims Funds, the Peace Officer Standards and Training Commission Fund and the Statewide Court Automation Fund. The state's portion of these amounts are deposited into the city treasury for all municipal divisions, except the municipal divisions of the city of Battlefield and the city of Willard. Amounts remitted by the cities to the state are not included in the financial statements.

4. City of Battlefield-Missing Funds

Fines, court costs, and bonds totaling at least \$7,874 which court records indicate were received by the City of Battlefield Municipal Division but not deposited, are included in receipts and are presented as unaccountable disbursements on the financial statement for the years ended June 30, 1999 and 1998.

5. City of Springfield

Bonds posted by defendants for the city of Springfield Municipal Division are deposited directly into the municipal division bond account, and a check for the full amount of the bond is written to the defendant after the disposition of the case. These checks are sometimes endorsed by the defendant back to the municipal division to be used to pay fines and costs assessed. Amounts in excess of the fines and costs assessed are then refunded to the defendant in cash. The amounts refunded to defendants in cash could not be readily determined. The refund amount reflected in the financial statements would include the entire amount of the original check.

MANAGEMENT ADVISORY REPORT SECTION

Management Advisory Report -
State Auditor's Current Recommendations

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
MANAGEMENT ADVISORY REPORT -
STATE AUDITOR'S CURRENT RECOMMENDATIONS

We have audited the special-purpose financial statements of the various municipal divisions (other than the City of Battlefield Municipal Division as of and for the years ended June 30, 1999 and 1998) of the Thirty-First Judicial Circuit as of and for the years ended December 31, 1999 and 1998; September 30, 1999 and 1998; and June 30, 1999 and 1998, and have issued our report thereon dated February 22, 2000. That report expressed a qualified opinion on the special-purpose financial statements of the municipal divisions of the city of Republic and the city of Willard as of and for the years ended December 31, 1999 and 1998, and the city of Springfield Municipal Division as of and for the years ended June 30, 1999 and 1998.

We also had planned to audit the special-purpose financial statement of the city of Battlefield Municipal Division as of and for the years ended June 30, 1999 and 1998, and have issued our report thereon dated February 22, 2000. In that report we did not express an opinion on the special-purpose financial statement.

The following Management Advisory Report presents our findings and recommendations arising from our audit of the municipal divisions' special-purpose financial statements. During our audit, we also identified certain management practices which we believe could be improved. Our audit was not designed or intended to be a detailed study of every system, procedure, and transaction. Accordingly, the findings presented in the following report should not be considered as all-inclusive of areas where improvements may be needed.

1.	City of Ash Grove Municipal Division
-----------	---

- A. The duties of receiving, recording, and depositing court receipts are not adequately segregated. Currently, the Court Clerk performs all of these duties. In addition, there is no supervisory review performed of the Court Clerk's functions by an independent person. Specifically, there is no independent reconciliation between receipts and deposits.

To safeguard against possible loss or misuse of funds, internal controls should provide reasonable assurances that all transactions are accounted for properly and assets are adequately safeguarded. Internal controls would be improved by segregating the duties of receiving and depositing court monies from that of recording receipts. If proper segregation of duties cannot be achieved, at a minimum there should be a supervisory review of reconciliations between receipts and deposits to the city treasury.

- B. The municipal division accepts cash, checks, and money orders for fines and court costs and deposits monies directly to the city treasury. The Court Clerk does not always record the method of payment on the receipts ledger and there is no independent comparison of the composition of receipt slips issued to amounts deposited. To ensure receipts are deposited intact, the method of payment should be recorded on receipt slips, and the composition of receipt slips issued should be reconciled to the composition of monies deposited to the city treasury.

- C. The \$5 Crime Victims Compensation (CVC) fee and the \$2 Law Enforcement Training (LET) fee, are assessed on dismissed cases. Sections 595.045 and 590.140, RSMo Cumulative Supp. 1999, require these fees be charged on all court cases for violations of municipal ordinances, except for cases dismissed by the court.

Conditions similar to parts B. and C. were also noted in our prior report.

WE RECOMMEND the city of Ash Grove Municipal Division:

- A. Adequately segregate the duties of receiving, recording, and transmitting court monies. At a minimum, there should be a documented supervisory review of reconciliations between receipts and deposits to the city treasury.
- B. Indicate the method of payment on the receipts ledger and reconcile the composition of receipt slips to the composition of monies deposited.
- C. Assess CVC and LET fees in accordance with state law.

AUDITEE'S RESPONSE:

The Court Clerk provided the following responses:

- A. *The judge will periodically compare recorded receipts to deposits and document his review. This recommendation will be implemented immediately.*
- B. *We currently indicate the method of payment on the receipt ledger; however, this was not done on a few receipts during the course of this audit. We are currently double checking our receipt ledger to ensure the method of receipts is always indicated.*
- C. *This recommendation has been implemented.*

2. City of Battlefield Municipal Division
--

During our audit of the various municipal divisions of the Thirty-First Judicial Circuit, we noted a cash shortage existed in the city of Battlefield Municipal Division. A separate report was issued by the State Auditor's office on April 19, 2000, for the city of Battlefield Municipal Division and concluded that court monies totaling \$11,524 were collected by the court from July 1, 1995 through August 6, 1999, and were not deposited into the municipal division bank account. Recommendations concerning internal controls and accounting records of the city of Battlefield Municipal Division were included in that report and are not included in this report.

3.

City of Fair Grove Municipal Division

We noted the following concerns relating to deferred payments:

- A. The municipal division allows defendants to pay fines and costs over a period of time. However, a control ledger is not maintained showing the total amount due which can be reconciled to the case files. A control ledger would allow the court to monitor the amounts due to the court and could aid in the collection of amounts owed. In addition, the case files should be reconciled periodically to the control ledger.
- B. The municipal division does not require defendants to sign a deferred payment contract when they are allowed to pay fines and costs over a period of time. A written and signed payment agreement is necessary to indicate the intent of the defendant to pay fines and costs, and to aid in accounting for and collecting the amounts due to the municipal division.

WE RECOMMEND the city of Fair Grove Municipal Division:

- A. Maintain a control ledger which shows balances owed to the court and periodically reconcile the control ledger to the individual case files.
- B. Obtain payment agreements from each defendant.

AUDITEE'S RESPONSE:

The Court Clerk provided the following responses:

- A. *We have implemented this recommendation.*
- B. *We are currently creating a form to document deferred payment agreements. We hope to have this recommendation implemented within the next three months.*

4.

City of Republic Municipal Division

- A. Fines, court costs, and bonds are occasionally received from the defendant before the related traffic ticket is received from the police department. The clerk does not record or transmit these monies to the city until the related traffic ticket is received. At September 29, 1999, the division held \$474 of these unrecorded payments. To adequately safeguard receipts and reduce the risk of loss or misuse of funds, all receipts should be recorded immediately upon receipt, and deposits should be made daily or when accumulated receipts exceed \$100.

- B. Formal bank reconciliations have not been prepared for the municipal division's bond bank account since December 1998. In addition, a running checkbook balance is not recorded in the bond check register.

To ensure all differences between the bank and book balances are noted in a timely manner, bank reconciliations should be performed monthly and a running balance should be maintained in the check register.

- C. We noted the following concerns related to open items (liabilities):

1. The Court Clerk does not prepare monthly listings of open items (liabilities). At our request, a listing was prepared as of December 31, 1999, and reconciled to the cash balance. A monthly listing of open items is necessary to ensure accountability over open cases and to ensure monies held in trust by the municipal division are sufficient to meet liabilities.
2. The municipal division has not implemented adequate procedures to follow up on cash bonds held for over one year. As of December 31, 1999, the balance of the municipal division's bond account included bond receipts totaling approximately \$4,386 which have been held in excess of one year.
An attempt should be made to determine the proper disposition of these monies. A review should be made of any bonds posted by persons who failed to make the required court appearance to determine if the bonds should be forfeited and monies paid over to the city treasury, as provided by Section 479.210, RSMo 1994. For those bonds which cannot be forfeited and remain unclaimed, Section 447.595, RSMo 1994, requires cash bonds remaining unclaimed for one year after disposition of the case be turned over to the state's Unclaimed Property Section.
3. Interest earned on the bond account totaling \$398 from February 1998 to December 1998 was not disbursed to the city until April 1999. In addition, interest totaling \$318 earned during 1999 is still being held by the municipal division. Accumulated interest should be periodically turned over to the City Treasurer for deposit in the city's general account .

- D. Neither the police department nor the municipal division maintains records to account for traffic tickets issued and their ultimate disposition. The police department maintains a log of tickets issued, but the tickets are not listed in numerical order, and the disposition is not indicated.

Without a proper accounting of the numerical sequence and ultimate disposition of tickets, the police department and the court cannot be assured that all tickets issued are properly submitted to the municipal division for processing. A log listing each ticket number in numerical order, the date issued, and the violator's name would ensure all tickets issued have been submitted to the court for processing, properly voided, or not prosecuted. In addition, a record should be maintained accounting for the ultimate disposition of each ticket to ensure all tickets have been accounted for properly.

- E. CVC and Peace Officer Standards and Training Commission (POSTC) fees collected by the municipal division are deposited in the city treasury. The city is responsible for

remitting the CVC and POSTC fees due to the state; however, the city has not remitted these fees to the state since August 1998.

As of December 31, 1999, at least \$10,500 of CVC collections and \$2,200 of POSTC collections for the period September 1998 through December 1999 are due to the state.

Section 595.045.3, RSMo 1994, requires 95 percent of the CVC fee be paid monthly to the state. POSTC fees should also be disbursed monthly to the state.

- F. The court does not file monthly reports with the city of all cases heard in court. Section 479.080.3, RSMo 1994, requires the Court Clerk to prepare monthly listings of all cases heard in court, including all fines and court costs collected, to be verified by the Court Clerk or the Municipal Judge, and filed with the city's governing body.
- G. The Court Clerk collects fines and court costs, and the police officers collect bond monies. These employees are not bonded. Failure to properly bond all persons with access to assets exposes the municipal division and city to risk of loss.

Conditions similar to parts A, C.1, C.2, and C.3. were also noted in our prior report.

WE RECOMMEND the city of Republic Municipal Division:

- A. Record monies immediately upon receipt, and deposit monies daily or when accumulated receipts exceed \$100.
- B. Prepare monthly bank reconciliations and maintain a running check register balance.
- C.1. Prepare monthly listings of open items, and reconcile the listing to the reconciled bank balance.
- 2. Dispose of unclaimed bonds in accordance with state law, and periodically review outstanding bonds to determine if the payees can be located. If payees cannot be located, the monies should be disbursed to the state's Unclaimed Property Section in accordance with state law.
- 3. Periodically disburse accumulated interest to the City Treasurer for deposit in the city's general account.
- D. Work with the police department to ensure records are maintained to account for the numerical sequence and ultimate disposition of all tickets.
- E. Ensure CVC and POSTC fees collected are remitted to the state in accordance with state law. In addition, the municipal division should request the city disburse outstanding CVC and POSTC fees to the state.
- F. Prepare monthly reports of court actions and file these with the city in accordance with state law.
- G. Request that the city consider obtaining adequate bond coverage for all persons handling court monies.

AUDITEE'S RESPONSE:

The Municipal Judge and Court Clerk provided the following responses:

- A. This was only done temporarily. When the current clerk took over, the court did not accept payments, and the city could not input payments until the court put the case in the computer. At the time in question, the court could not put a case in the computer until it received the original ticket from the Police Department. The checks that were held were for tickets in cases where the defendant had paid prior to the court receiving the original ticket from the Police Department. This is no longer the practice in the court, and in fact has not been since the day it was mentioned as a problem by the Auditor's staff. Since that time, payments have been processed on the day received and no payments are held waiting on tickets any longer.*
- B. All bond account statements were reconciled and current as of the last visit from the Auditor's office. A running balance is now kept in the bond ledger.*
- C.1. The current clerk had never prepared an open items listing, and was unaware one was required to be kept. The court now keeps an open items listing which is updated at the end of each month.*
 - 2. Due to prior record-keeping procedures, when the current staff took over at the court, they were unable to determine what money in the account belonged to whom. The court is currently in the process of attempting to locate the persons who are owed money. When those attempts are exhausted, unclaimed funds will be remitted to the state as suggested and required. This is an ongoing project that is time and labor intensive as some of the bonds date back over 12 years. Due to the small staff of the court, this may take some time to resolve, but will be corrected with due diligence. We hope to have this account cleaned up by the end of the summer.*
 - 3. Interest will now be distributed quarterly to the city.*
- D. The court can produce reports, by ticket number, for any given time period after January 1, 1999, and any range of tickets. This report lists all tickets received in a given time period, by ticket number. Tickets that are never received by the court are of course, not included, as the court has no control whatsoever over those tickets. The court is unaware of what type of internal controls the police department has for monitoring the tickets in their charge, but the court feels it is inappropriate to hold the court accountable in an audit report for issues related to a completely different agency. We agree to discuss this issue with the police department, and hope to have this matter resolved within 60 days.*
- E. Due to problems with a previous clerk, personnel changes, and computer software changes, apparently payments were being sent to an incorrect address and returned. Additionally, a computer software problem caused over 1/3 of the courts 1999 cases to post incorrect fees for POSTC and LET funds. Currently, City Hall is working with their independent auditor and the court to determine the correct amounts to distribute to the State. We hope to have this resolved within the next thirty days.*
- F. The court had previously offered these reports to the city's Director of Finance and Administration but they were declined due to a lack of storage space. The court was*

unaware it was statutorily required to do this, and will comply from this point forward as suggested. Our first monthly report will be for June, 2000.

- G. *The Court Clerk is now bonded by Old Republic Insurance Company. The court has no knowledge or control over bonding of police officers, but will forward this concern to the appropriate persons at the Police Department for their consideration.*

5. City of Springfield Municipal Division
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- A. Fine and court cost monies are occasionally received from the defendant before the related traffic ticket is received from the city prosecutor. The division does not record or deposit these monies until the related traffic ticket is received. At September 14, 1999, the division held \$4,481 of these unrecorded payments. To adequately safeguard receipts and reduce the risk of loss or misuse of funds, all receipts should be recorded immediately upon receipt, and deposits should be made daily or when accumulated receipts exceed \$100.
- B. The police department does not maintain records to account for all traffic tickets. The police department maintains a log of ticket books assigned to officers; however, records are not maintained for each ticket issued. In addition, ticket books are not always assigned in numerical order.

Without proper accounting of the numerical sequence and disposition of traffic tickets, the police department and the court cannot be assured that all tickets issued were properly submitted to the court for processing. A log listing the ticket books assigned to the officers, each ticket number, the date issued, and violator's name would help ensure all tickets issued are properly submitted to the court for processing, properly voided, or not prosecuted. In addition, a record should be maintained of the ultimate disposition of each ticket to ensure all tickets have been accounted for properly.

- C. We noted the following concerns relating to bonds:
1. Refund checks for the full amount of the bond are prepared immediately after court, and the Court Clerk refunds the full amount of the bond to the defendant. If the bond refund check is to be applied to the fines and court costs, the defendant endorses the check over to the court and receives any refund in cash. This procedure of cashing bond refund checks does not allow fines and court costs to be deposited intact.

To ensure fines and court costs are deposited intact, the court should discontinue the practice of cashing bond refund checks. To accomplish this, the court should issue the refund checks only for the amount of the difference between the fines and court costs due and the total bond posted. The amounts applied toward the fines and court costs should be separately transferred from the bond account to the city treasury.
 2. Bond forms issued by the police department serve as the receipt slip to the defendant; however, these bond forms are not prenumbered. To properly account

for all bond receipts, prenumbered receipt slips or bond forms should be issued for all bonds and the numerical sequence should be accounted for properly.

- D. Defendants who pay fines and court costs over a period of time are required to sign an agreement noting the amount due and the date by which fines and court costs will be paid. We noted several instances in which the defendant was delinquent in making a payment, and a warrant had not been issued.

Adequate procedures are necessary to ensure proper and timely follow-up action is taken on amounts due the municipal division.

Conditions similar to parts A and B. were also noted in our prior report.

WE RECOMMEND the city of Springfield Municipal Division:

- A. Record receipts immediately upon receipt and deposit receipts daily or when accumulated receipts exceed \$100.
- B. Work with the police department to ensure traffic ticket books are assigned to officers in numerical order and records are maintained to account for the numerical sequence and ultimate disposition of all traffic tickets.
- C.1. Issue separate checks to defendants for the amounts of the bond refunds and to the city for the amount of fines and court costs after case disposition is determined. In addition, the practice of cashing bond refund checks out of other court collections should be discontinued.
- 2. Work with the police department to ensure prenumbered receipt slips or bond forms are issued for all bond monies received and account for the numerical sequence.
- D. Ensure appropriate action is taken on all cases with balances due the municipal division.

AUDITEE'S RESPONSE:

The Chief Municipal Judge and Court Administrator provided the following responses:

- A. *Springfield Municipal Court began logging mail-in receipts manually September 20, 1999. We are working toward developing a program that will work with our current system. We hope to have the automated system implemented within the calendar year 2001.*
- B. *We will notify the police department of the auditor's recommendation and encourage them to comply.*
- C.1. *Effective June 6, 2000, the court will issue the refund checks for the amount of the difference between the fines and court costs due and the total bond posted. The amounts applied toward the fines and court costs will be separately transferred from the bond account to the city treasury.*
- 2. *We will notify the police department of the auditor's recommendation and encourage them to comply.*

- D. *A new program was implemented March 1, 2000, that ensures appropriate action is taken on all cases with balances due the municipal division.*

6. City of Strafford Municipal Division
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The municipal division allows defendants to pay fines and costs over a period of time. A control ledger accounting for the balances due from defendants has not been established. In addition, the municipal division does not always require defendants to sign a deferred payment contract when they are allowed to pay fines and costs over a period of time. The Court Clerk prepared a receivable listing from case files as of September 1999 totaling over \$11,000.

A control ledger would assist the court in determining the correct balance due from each defendant and could aid in subsequent collection efforts. In addition, a written and signed payment agreement is necessary to indicate the intent of the defendant to pay fines and costs, and to aid in accounting for the collecting amounts due to the municipal division. The court files documenting the partial payment agreements should be reconciled to the control ledger periodically to ensure all partial payments received and amounts due the court are properly recorded.

WE RECOMMEND the city of Strafford Municipal Division establish a control ledger for amounts due from defendants and periodically reconcile it to court orders permitting partial payments.

AUDITEE'S RESPONSE:

The City Clerk indicated that this recommendation has been implemented.

7. City of Walnut Grove Municipal Division

The court issues rediform receipt slips for monies rather than official prenumbered receipt slips. As a result, receipt slips are not specifically printed for the court which reduces the assurance that all receipt books are accounted for properly. To adequately account for all receipts, official prenumbered receipt slips should be issued for all monies received and reconciled to bank deposits.

A similar condition was also noted in our prior report.

WE RECOMMEND the city of Walnut Grove Municipal Division issue official prenumbered receipt slips for all monies received and reconcile receipts to bank deposits.

AUDITEE'S RESPONSE:

The City Clerk/Court Clerk indicated that it is not economically feasible for the court to implement this recommendation. The cost was checked into and provided to the board and they feel like it would be a waste of taxpayer dollars.

- A. The following concerns were noted regarding receipts:
1. The municipal division accepts cash, checks, and money orders for the payment of fines, court costs, and bonds. The method of payment received was not consistently recorded on receipt slips. To ensure receipts are deposited intact, the method of payment (cash, check, or money order) should be indicated on the receipt slips and the composition of monies received should be reconciled to the composition of monies deposited.
 2. Some fines and court cost receipts are not deposited on a timely basis. Receipts are deposited approximately weekly. To adequately safeguard receipts and reduce the risk of loss, theft, or misuse of funds, receipts should be deposited daily or when accumulated receipts exceed \$100.
 3. Receipt slips were not issued for some monies received, and voided receipt slips are not always retained. To adequately account for all monies received, prenumbered receipt slips should be issued for all monies received. Also, to help properly account for the numerical sequence of receipt slips, voided receipt slips should be retained.
- B. We noted the following concerns related to the court costs and other fees assessed by the municipal division:
1. The court charges a \$10 fine for each seat belt violation and also assesses \$20 in court costs and fees. Section 307.178.5, RSMo Cumulative Supp. 1999, states a fine not to exceed \$10 may be imposed and no court costs shall be imposed on any person for a seat belt law violation.
 2. CVC and POSTC fees collected by the municipal division are disbursed to the city monthly. The city is responsible for remitting the CVC and POSTC fees due to the state; however, the city was not remitting CVC and POSTC collected on amended charges. Section 595.045.3, RSMo 1994, requires 95 percent of the CVC fee to be paid monthly to the state. POSTC fees should also be disbursed monthly to the state.
- C. Neither the police department nor the municipal division maintains records to account for the numerical sequence and ultimate disposition of traffic tickets issued. The police department maintains a log of ticket books assigned to officers; however, records accounting for each ticket issued are not maintained.

Without a proper accounting for the numerical sequence and ultimate disposition of tickets, the police department and the municipal division cannot be assured all tickets issued are properly submitted to the court for processing. A log listing each ticket issued in numerical sequence, the date issued, and the violator's name would help ensure all tickets issued were properly submitted to the court for processing, properly voided, or not prosecuted.

In addition, a record of the ultimate disposition of each ticket should be maintained to ensure all tickets have been accounted for properly.

- D. The city has established a formal schedule of fines and court costs to be collected on tickets paid to the Court Clerk; however, the fines and court costs are not always collected consistently. During our review, fines and court costs collected for eight of the thirty-seven cases tested did not agree to the schedule.

To ensure fine and costs amounts are properly charged, the Court Clerk should collect amounts at the Violations Bureau that are in agreement with the fine and cost schedule.

Conditions similar to parts A.2. and A.3. were also noted in our prior report.

WE RECOMMEND the city of Willard Municipal Division:

- A.1. Indicate the method of payment on receipt slips and reconcile total cash, checks, and money orders received to bank deposits.
- 2. Deposit receipts daily or when accumulated receipts exceed \$100.
- 3. Issue prenumbered receipt slips for all monies received and retain all voided receipt slips.
- B.1. Assess fines for seatbelt violations in accordance with state law.
- 2. Ensure CVC and POSTC fees collected are remitted to the state in accordance with state law. In addition, the municipal division should determine the amount of CVC and POSTC collected on amended charges and make the appropriate payment to the state.
- C. Work with the police department to ensure records are maintained to account for the numerical sequence and ultimate disposition of all tickets issued.
- D. Collect fines and costs paid in accordance with the established fines and costs scheduled.

AUDITEE'S RESPONSE:

The city's Chief Financial Officer and Court Clerk provided the following responses:

*A.1,3,
B.1,C*

& D. This has now been implemented.

A.2. We now deposit daily.

B.2. The city has determined all CVC and POSTC fees due to the state and remitted these fees. All CVC and POSTC fees on amended charges are now included with our regular monthly remittance.

This report is intended for the information of the management of the various municipal divisions of the Thirty-First Judicial Circuit and other applicable government officials. However, this report is a matter of public record and its distribution is not limited.

Follow-Up on State Auditor's Prior Recommendations

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
FOLLOW UP ON STATE AUDITOR'S PRIOR RECOMMENDATIONS

This section reports follow-up action taken by the municipal divisions of the Thirty-First Judicial Circuit on recommendations made in the Management Advisory Report (MAR) of our report issued for the two years ended 1995 and 1994, and our report for the city of Republic, Missouri for the year ended March 31, 1997. The prior recommendations which have not been implemented, but are considered significant, have been repeated in the current MAR.

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
TWO YEARS ENDED 1995 AND 1994

1. City of Ash Grove Municipal Division

- A.1. The method of payment was not always indicated on receipt slips.
- 2. Receipts were not always deposited intact.
- 3. Receipts were not always deposited on a timely basis.
- B. The court assessed the \$5 Crime Victims Compensation (CVC) fee and \$2 Law Enforcement Training (LET) fee on dismissed cases and the \$2 LET fee on nonmoving violations.

Recommendations:

The city of Ash Grove Municipal Division:

- A.1. Indicate the method of payment on all receipt slips issued and reconcile totals h , checks, a n d money orders receive d to b a n k deposit s.
- 2. Deposit all monies intact. In addition, the city should discontinue cashing personal checks with official receipts and maintain the change fund at a constant amount.
- 3. Deposit receipts daily or when accumulated receipts exceed \$100.
- B. Discontinue charging the \$5 CVC and \$2 LET fees on dismissed cases and the \$2 LET fee on nonmoving traffic violations, as required by state law.

Status:

A.1. Not implemented. See MAR No. 1.

A.2

&3. Implemented

B. Based on statutory changes effective July 1, 1997, LET fees are to be collected on all cases including nonmoving traffic violations. CVC and LET fees are still charged on dismissed cases. See MAR No. 1.

2. City of Battlefield Municipal Division

During our audit of the various municipal divisions of the Thirty-First Judicial Circuit, we noted a cash shortage existed in the city of Battlefield Municipal Division.

A separate report was issued by the State Auditor's office on April 19, 2000 for the city of Battlefield Municipal Division and concluded that monies totaling at least \$11,524 were collected by the court from July 1, 1995 through August 6, 1999, and were not deposited into the municipal division bank account. The follow-up actions taken by the city of Battlefield Municipal Division were included in that report and are not included in this report.

3. City of Fair Grove Municipal Division

A. Court costs were not distributed in accordance with state law.

B. The TVB schedule of court costs did not include a listing of all offenses that may be paid prior to the court date.

Recommendations:

The city of Fair Grove Municipal Division:

A. Remit court costs to the state and county in accordance with state law.

B. Establish a schedule of offenses and the related fines and court costs which may be collected at the TVB, and prominently post this schedule at the TVB.

Status:

A&B. Implemented.

4. City of Republic Municipal Division

A.1. Receipts were not deposited on a timely basis.

2. Receipts were not deposited intact. Personal checks were cashed from official receipts, and restitution payments were disbursed in cash.

3. Receipts were not issued for cash bonds received from the police department.

4. The court issued rediform receipt slips for monies received.

- B.1. Some bond monies were held in cash pending court disposition and refunded in cash.
- 2. Bond forms were not prenumbered.
- 3. Bonds were not transmitted to the municipal division on a timely basis.
- 4. Monthly open items (liabilities) were not prepared.

Recommendation:

The city of Republic Municipal Division:

- A.1. Deposit receipts daily or when accumulated receipts exceed \$100.
- 2. Deposit receipts intact and reconcile total receipt slips issued to bank deposits. In addition, all restitution disbursements should be made by check, and the court should discontinue cashing personal checks with official receipts.
- 3. Issue prenumbered receipt slips to the police department for cash bonds.
- 4. Issue official prenumbered receipt slips for all monies received and account for the numerical sequence.
- B.1. Deposit all bonds into the bond bank account. Subsequent disbursements of the bonds should be made by check.
- 2. Request the police department to issue prenumbered receipt slips or bond forms for all bond monies received and account for the numerical sequence.
- 3. Request the police department to transmit bond receipts daily or when accumulated receipts exceed \$100.
- 4. Prepare monthly listings of open items (liabilities) and reconcile these listings to monies held in trust.

Status:

A.1&

B.4 Not implemented. See MAR No. 4.

A.2-4,

B.1-3. Implemented.

5. City of Springfield Municipal Division

- A. The police department did not maintain records to account for all traffic tickets, and ticket books were not always assigned to officers in numerical order.

- B.1. Bond monies received from the police department before the related traffic ticket was received from the city prosecutor were not recorded or deposited until the ticket was received.
- 2. The method of bond payments received was not always recorded correctly on daily receipt reports.
- 3. Procedures have not been implemented to routinely follow up on bonds remaining on hand over one year.
- C. The court assessed the \$5 CVC fee and \$2 LET fee on dismissed cases and nonmoving violations.

Recommendations:

The city of Springfield Municipal Division:

- A. Work with the police department to ensure traffic ticket books are assigned to officers in numerical order and records are maintained to account for the numerical sequence and ultimate disposition of all traffic tickets.
- B.1. Record all bonds immediately upon receipt and deposit all bond receipts daily.
- 2. Correctly indicate the method of payment on daily receipt reports and reconcile the composition of daily receipt reports to the composition of bank deposits.
- 3. Attempt to locate those defendants who have a cash bond due them and remit the bond amount. Bonds remaining unclaimed should be disposed of in accordance with state law. Procedures should be established to routinely follow up on cash bonds remaining on hand over one year.
- C. Discontinue charging the \$5 CVC and \$2 LET fees on dismissed cases and nonmoving traffic violations, as required by state law.

Status:

A &

- B.1. Not implemented. See MAR No. 5.

B.2&

- B.3. Implemented.

- C. Implemented. CVC and LET fees are no longer charged on dismissed cases. Based upon statutory changes effective July 1, 1997, LET fees are to be collected on all cases including nonmoving traffic violations.

6. City of Strafford Municipal Division

- A. The Court Clerk did not prepare monthly reports of all cases heard in court.

- B.1. The court issued rediform receipt slips and the receipts were not consecutively numbered.
- 2. Checks and money orders were not restrictively endorsed until deposits were prepared.
- C. Neither the municipal division nor the police department maintained records to account for all traffic tickets and complaint forms.
- D.1. Court costs for cases heard by the Associate Circuit Judge were not assessed or distributed in accordance with state law.
- 2. The Peace Officer Standards and Training Commission (POSTC) fee was not turned over to the state on a monthly basis.
- 3. The court did not disburse the state's portion of the CVC fees or the statewide court automation fees to the state director of revenue on a monthly basis.
- 4. The court did not charge CVC, LET or POSTC fees on nontraffic ordinance violations.
- E. The filing system for traffic tickets was inadequate.

Recommendations:

The city of Strafford Municipal Division:

- A. Prepare monthly reports of court actions, including fines and costs collected, and file these with the city governing body in accordance with state law.
- B.1. Issue official prenumbered receipt slips for all monies received and account for the numerical sequence.
- 2. Restrictively endorse all checks and money orders immediately upon receipt.
- C. Work with the police department to ensure traffic ticket books and complaint forms are assigned to officers in numerical order and records are maintained to account for the numerical sequence and ultimate disposition of all traffic tickets and complaint forms.
- D.1. Collect \$15 court costs on cases heard by the Associate Circuit Judge and remit court costs to the state and county in accordance with state law.
- 2. Determine the amount of POSTC fees due to the state and remit this amount to the state. Future disbursements should be made monthly in accordance with state law.
- 3. Remit CVC and court automation fees to the state monthly in accordance with state law.
- 4. Collect CVC, LET, and POSTC fees on nontraffic ordinance violations in accordance with state law.
- E. Maintain files of all traffic tickets and case information in accessible order.

Status:

A-C,
D.2-4,
& E. Implemented.

D.1. Cases are no longer heard by an Associate Circuit Judge.

7. City of Walnut Grove Municipal Division

A.1. Checks and money orders were not always restrictively endorsed immediately upon receipt.

2. The court issued rediform receipt slips for monies received, and the receipts were not consecutively numbered.

B. A schedule listing all of the offenses that may be paid at the Traffic Violations Bureau (TVB) and the corresponding fines and costs to be assessed had not been established or posted.

Recommendations:

The city of Walnut Grove Municipal Division:

A.1. Restrictively endorse all checks and money orders immediately upon receipt.

2. Issue official prenumbered receipt slips for all monies received and account for the numerical sequence.

B. Establish a schedule of offenses and the related fines and court costs which may be collected at the TVB and prominently post this schedule at the TVB.

Status:

A.1
& B. Implemented.

A.2. Not implemented. See MAR No. 7.

8. City of Willard Municipal Division

A.1. Receipts were not always deposited intact. Personal checks were cashed for city employees from official receipts.

2. Receipts were not deposited on a timely basis.

3. Receipt slips were not issued for some monies received.

4. Checks and money orders were not restrictively endorsed until deposits were prepared.

- B. Tickets dismissed or not prosecuted were not always signed by the Prosecuting Attorney or the Municipal Judge.
- C. The court did not charge the \$2 LET, the \$5 CVC fee, or the \$1 POSTC fee in accordance with state law.

Recommendations:

The city of Willard Municipal Division:

- A.1. Deposit receipts intact and reconcile total receipt slips issued to bank deposits. In addition, the court should discontinue cashing personal check with official receipts.
 - 2. Deposit receipts daily or when accumulated receipts exceed \$100.
 - 3. Issue official prenumbered receipt slips for all monies received and account for the numerical sequence.
 - 4. Restrictively endorse all checks and money orders immediately upon receipt.
- B. Require the Prosecuting Attorney's or Municipals Judges's signature on all tickets that are not prosecuted or dismissed.
- C. Collect the CVC, LET, and POSTC fees in accordance with state law.

Status:

- A.1. Partially implemented. Personal checks are no longer cashed; however, receipts are not deposited intact and total receipts are not reconciled to bank deposits. See MAR No. 8.
- A.2-3. Not implemented. See MAR No. 8.
- A.4,
B&C. Implemented.

CITY OF REPUBLIC, MISSOURI
YEAR ENDED MARCH 31, 1997

Municipal Court

- A. Fines and court costs of \$263 were not deposited into the city treasury.
- B.1. Receipt slips were not issued immediately upon receipt. In addition, \$451 in checks and money orders dating back to January 1993 had not been recorded or deposited.
 - 2. Fines and court costs were not transmitted to the city on a timely basis.
- C. Duties of receiving and transmitting or depositing monies were not adequately segregated from recording transactions.

- D.1. Bond forms issued by the police department were not prenumbered, and the Court Clerk did not issue receipt slips for bond monies received.
- 2. Some bond monies were held in cash depending court disposition and were refunded in cash. The checks for the bond account were not prenumbered.
- 3. Monthly listing of open items (liabilities) were not prepared.
- 4. The court had not implemented adequate procedures to follow up on bonds held for over one year.
- 5. Interest earned on the bond bank account had not been periodically distributed to the city.
- E. The court did not have adequate procedures to collect amounts owed to the court.
- F. The Municipal Judge did not review the docket sheets for the cases handled through the TVB.

Recommendations:

The city of Republic Municipal Division:

- A. Review the situation with the Board of Aldermen and legal counsel and take necessary action to recover the missing funds.
- B.1. Issue receipt slips for fines and court costs immediately upon receipt. In addition, the court should follow up on the \$451 in old receipts and determine the proper disposition.
- 2. Transmit receipts to the City Collector daily or when accumulated receipts exceed \$100.
- C. Adequately segregate the duties of receiving, recording, and transmitting or depositing court receipts. At a minimum, there should be a documented supervisory review of the reconciliation between receipts and transmittals or deposits.
- D.1. Request the police department to issue prenumbered receipt slips or bond forms for all bond monies received. In addition, the Court Clerk should issued prenumbered receipt slips for all bond monies received, including amounts received from the police department.
- 2. Deposit all bonds into the bond bank account and make subsequent disbursements by prenumbered check.
- 3. Prepare listings of open items (liabilities) monthly and reconcile these listings to monies held in the bond bank account.
- 4. Follow up on all bonds held for more than one year and dispose of bonds in accordance with state law.
- 5. Distribute interest earned on the bond bank account periodically to the city.
- E. Establish procedures to maximize the collection of fines and court costs owed to the court.

F. Ensure all TVB cases are reviewed by the Municipal Judge.

Status:

A. The City Administrator indicated that the Board of Aldermen discussed the situation and decided not to pursue any action to recover the missing funds because of the immaterial dollar amount.

B.1. Partially implemented. A portion of the monies were remitted back to the defendant and the remainder sent to the State Unclaimed Property Fund; however, receipt slips are not issued immediately upon receipt. See MAR No. 3.

C -

D.2,

E&F. Implemented.

B.2,

D.3-

D.5. Not implemented. See MAR No. 4.

STATISTICAL SECTION

History, Organization, and
Statistical Information

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
HISTORY AND ORGANIZATION

Organization

The Thirty-First Judicial Circuit is composed of Greene county. The Honorable Henry W. Westbrooke Jr. serves as Presiding Judge. There are eight municipal divisions within the Thirty-First Judicial Circuit.

The municipal divisions are governed by Chapter 479, RSMo 1994, and by Supreme Court Rule No. 37 titled "Ordinance Violations and Traffic Violations Bureau (TVB)." Section 479.050, RSMo 1994, provides that each municipal division may establish a TVB in which fines and costs are collected at times other than during court and transmitted to the city treasury.

Operating Costs

The operating costs and court salaries of each municipal division are paid by the respective municipality, the county, or the State of Missouri, as applicable.

Municipal Division Organization, Personnel, and Caseload Information

1. City of Ash Grove

Organization

The City Clerk serves as the Court Clerk and is responsible for recording transactions as well as handling collections and disbursements. Fines, court costs, and bonds are deposited directly into the city treasury. Court is held once a month. A TVB has been established to receive payment of fines and court costs at times other than during court.

Personnel

Municipal Judge
City Clerk/Court Clerk

Ryan Ricketts
Deborah Cox

Caseload Information

	<u>Year Ended June 30,</u>	
	<u>1999</u>	<u>1998</u>
Number of cases filed	313	472

2. City of Battlefield

Organization

The Court Clerk is responsible for recording transactions as well as handling collections and disbursements. Fines, court costs, and bonds are deposited into a court bank account and are transmitted by check to the city treasury and state periodically. Court is held once a month. A TVB has been established to receive payment of fines and court costs at times other than during court.

Personnel

Municipal Judge
Court Clerk*

Earl Whitehead
Elizabeth Ann Howard

* Joy Sparkman served as Court Clerk from March 1995 until August 1999.

Caseload Information

	<u>Year Ended June 30.</u>	
	<u>1999</u>	<u>1998</u>
Number of cases filed	447	513

3. City of Fair Grove

Organization

The Court Clerk, assisted by the City Clerk, is responsible for recording transactions as well as handling collections and disbursements. Fines, court costs, and bonds are deposited directly into the city treasury daily. Court is held every other month. A TVB has been established to receive payment of fines and court costs at times other than during court. An Associate Circuit Judge of Greene County serves as a judge of this municipality.

Personnel

Associate Circuit Judge
Court Clerk
City Clerk

Max E. Bacon
Debbie Boyd*
Christi Edwards

* Christi Edwards served as Court Clerk prior to June, 1998.

Caseload Information

	<u>Year Ended June 30.</u>	
	<u>1999</u>	<u>1998</u>
Number of cases filed	97	122

4. City of Republic

Organization

The Court Clerk is responsible for recording transactions as well as handling collections and disbursements. Fines and court costs are deposited directly into the city treasury. Bond monies are deposited into a separate municipal division bank account pending disposition. Court is held four times a month. A TVB has been established to receive payment of fines and court costs at times other than during court.

Personnel

Municipal Judge
Court Clerk

Andrew Hager, Jr.*
Jeff Ragsdale**

* Steven Shanholtzer served as Municipal Judge prior to September 1998.

** Cynthia Graybill served as Court Clerk prior to September 1999.

Caseload Information

	<u>Year Ended December 31,</u>	
	<u>1999</u>	<u>1998</u>
Number of cases filed	1,853	1,850

5. City of Springfield

Organization

The Court Administrator, along with 16 assistants are responsible for recording transactions as well as handling collections and disbursements. Fines and court costs are deposited directly into the city treasury daily. Bond monies are deposited into a separate municipal division bank account pending disposition. Court is held daily. A TVB has been established to receive payment of fines and court costs at times other than during court. Court is held by two full-time municipal judges. In addition, the city hires part-time judges as needed.

Personnel

Chief Municipal Judge	Todd M. Thornhill
Municipal Judge	Dennis E. Budd
Court Administrator	Janice A. Piper
Court Clerk	Rick L. Thompson
Accounting Services Representative	Rhonda Bateman

Caseload Information

	<u>Year Ended June 30,</u>	
	<u>1999</u>	<u>1998</u>
Number of cases filed	73,037	70,522

6. City of Strafford

Organization

The Court Clerk, assisted by the City Clerk, is responsible for recording transactions as well as handling collections and disbursements. Fines, court costs, and bonds are deposited directly into the city treasury daily. Court is held twice a month. A TVB has been established to receive payment of fines and court costs at times other than during court.

Personnel

Municipal Judge	Shannon Bryant*
Court Clerk	Debbie Pettit**
City Clerk	Carin Yates

* Court cases were handled by the Greene County Associate Court until Judge Bryant assumed the Municipal Judge position in October, 1997.

** Kay Moore served as Court Clerk prior to June 1998.

Caseload Information

	<u>Year Ended September 30,</u>	
	<u>1999</u>	<u>1998</u>
Number of tickets issued	1,296	667

7. City of Walnut Grove

Organization

The City Clerk serves as the Court Clerk and is responsible for recording transactions as well as handling collections and disbursements. Fines, court costs, and bonds are deposited directly into the city treasury. Court is held once a month. A TVB has been established to receive payment of fines and court costs at times other than during court. An Associate Circuit Judge of Greene County serves as judge of this municipality.

Personnel

Associate Circuit Judge	J. Dan Conklin
City Clerk/Court Clerk	Donna Elliott

Caseload Information

	<u>Year Ended December 31,</u>	
	<u>1999</u>	<u>1998</u>
Number of cases filed	39	57

8. City of Willard

Organization

The City Clerk serves as the Court Clerk and is responsible for recording transactions as well as handling collections and disbursements. A bank account is maintained for the deposit of fines, court costs, and bonds. Fines and court costs are transmitted by check monthly to the city treasury. Court is held once a month. A TVB has been established to receive payment of fines and court costs at times other than during court. An Associate Circuit Judge of Greene County serves as a judge for this municipality.

Personnel

Associate Circuit Judge	Mark Fitzsimmons*
City Clerk/Court Clerk	Linda Murray**

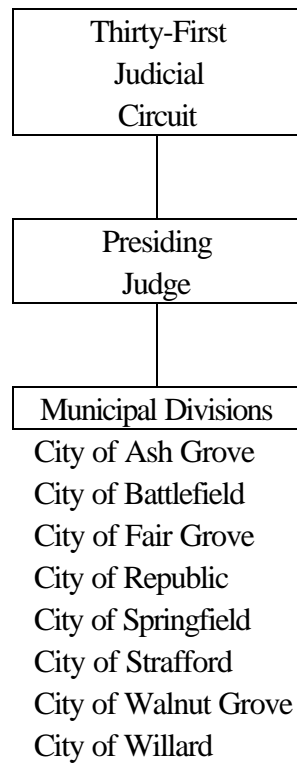
* Wilbur Peck served as Municipal Judge prior to September 1998.

** Randy Siegler served as Court Clerk from June 1999 through September 1999. Bobbie McQuenter served as Court Clerk prior to May 1999.

Caseload Information

	<u>Year Ended December 31,</u>	
	<u>1999</u>	<u>1998</u>
Number of cases filed	532	385

THIRTY-FIRST JUDICIAL CIRCUIT
MUNICIPAL DIVISIONS
ORGANIZATION CHART



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